**ASK Corporation**

**Statement of Cash Flows**

**For the Year Ended December 31, 2008**

**Cash flows from operating activities**

**Net income.............................................................. $36,998**

**Adjustments to reconcile net income**

**to net cash provided by operating activities**

**Depreciation expense ...................................... $2,000**

**Small Equipment expense............................... 260**

**Increase in prepaid advertising...................... (800)**

**Increase in accounts receivable.................... (4,350)**

**Increase in notes receivable.......................... (8,000)**

**Increase in interest receivable...................... (67)**

**Increase in merchandise inventory.............. (4,460)**

**Decrease in allowance for doubtful accounts.. 580**

**Increase in accounts payable ........................ 660 (14,177)**

**Net cash provided by operating activities ..... 22,821**

**Cash flows from investing activities**

**Purchase of office equipment ................................ (3,650)**

**Net cash used by investing activities.............................. (3,650)**

**Cash flows from financing activities**

**Issuance of common stock.................................... 10,000**

**Paid-in Capital in Excess of Par Value................. 5,000**

**Treasury Stock........................................................ (1,000)**

**Payment of dividends............................................ (1,800)**

**Net cash used by financing activities.............................. 12,200**

**Net increase in cash............................................................ 31,371**

**Cash at beginning of period............................................. 0**

**Cash at end of period ......................................................... $31,371**